



DEPARTMENT OF INSURANCE

Chuck Quackenbush, Commissioner

Auto Body Repair Shop

A consumer does not have to have repairs done at an insurance company recommended repair shop. However, if a consumer does use an insurance company recommended repair shop, that shop must answer to the consumer and to the insurance company if a repair job is not completed satisfactorily. By recommending a repair shop for the consumer, the insurance company becomes "party to the repair" and, in essence, guarantees the repair work.

The Fair Claims Settlement Practices Regulations Section 2695.8 (e) states:

(e) No insurer shall:

- (1) require that an automobile be repaired at a specific repair shop; or,
- (2) direct, suggest or recommend that an automobile be repaired at a specific repair shop, unless,
 - (A) such referral is expressly requested by the claimant; or
 - (B) the claimant has been informed in writing of the right to select the repair facility; and,
 - (C) the insurer that elects to repair a vehicle directs, suggests or recommends that a specific repair shop be used, shall cause the damaged vehicle to be restored to its condition prior to the loss at no additional costs to the claimant other than as stated in the policy or as otherwise allowed by these regulations.

The California Department of Insurance can help consumers through the Consumer Services Division. If a consumer has a problem with a claim or a dispute with an insurance company, we encourage the policyholder to contact our Consumer Hotline at 1-800-927-HELP.